UINTAH MOUNTAIN COPPER COMPANY P.O. BOX 578 PRICE, UTAH 84501 (435) 820-6460 WWW.UINTAHRED.COM M/3/802

January 28, 2002 File: M/130/002

State of Utah, Department of Natural Resources Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, Utah 84114-5801

Attn: D. Wayne Hedberg

Attached is the 2001 Annual Report of Mining Operations for Uintah Mountain Copper Company's Sunshine Quartz/Hematite Claims Project as required by Utah law.

The Forest Service completed the final draft of the EA on our test pit development phase of work in late 2001. We anticipate that the work at the mine site will begin on or after July 2002 and will be completed before the end of this year.

Paul Baker from your office recently contacted us to inform us of a reclamation area calculation error in the latest draft Plan of Operations submitted to the Forest Service. The revised quantities are reflected in the attached report and will be corrected in the final version of the POO. We appreciate the diligence of Mr. Baker in reviewing our plans and thank him for his prompt notification.

Please call us if you have any questions or need further information.

Sincerely,

Peter Kandaris

President, Uintah Mountain Copper Company

Email: peterk@uintahred.com

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STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple – Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801

Telephone: (801) 538-5291 Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I.	Gene	General Information			
	1.	Report Time Period: From (mo./yr.) January 2001 To (mo./yr.) December 2001			
	2.	DOGM File Number (Mine No.): M / 130 /002			
	3.	Mine Name: Sunshine Quartz/Hematite Claims Project			
	4.	Mineral(s) Mined (or permitted to mine): Iron Oxide (Hematite – Pigment)			
	5.	Type of mine ☐ Surface Mine or ☐ Underground Mine			
	6.	Legal Description (Location of Lands Affected):			
		1/4, <u>NW</u> 1/4, <u>NE</u> 1/4, Section <u>15</u> , Township <u>2N</u> , Range <u>6W</u>			
		1/4, <u>SW</u> 1/4, <u>SE</u> 1/4, Section <u>19</u> , Township <u>2N</u> , Range <u>5W</u>			
		1/4,1/4,1/4, Section, Township, Range			
7.		Name of Operator or Company: Uintah Mountain Copper Company			
	8.	Permanent Street Address: 2319 N. Hillside Drive			
		City, State, Zip: Wellington, Utah 84542			
		Phone: (435) 820-6460			
	9.	Company Representative (or designated operator):			
		Name: Peter M. Kandaris			
		Title: President			
		Business Address: P.O. Box 578			
		City, State, Zip: Price, Utah 84501			
		Phone: (435) 820-6460			
		☐ Please check if any of the above information has changed since previous year.			
II	16	1.0			
II.	Mining and Reclamation				
	1.	Was there any mine related activity during the past year? Yes □ No ⊠			
	2.	If no – what was the last year of activity? 1999			
	3.	If yes – how much ore or mineral was mined?			

	Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.		
	None		
5.	How much additional acreage was o		
6.	How much acreage was reclaimed de		
7.	should include methods employed, an	k performed during the past year. This description and an evaluation of the results. S opportunity to complete development EA.	
8.	What is the <u>total</u> disturbed acreage	of entire project at years end? 1.38 acres	
9.	Briefly summarize any mining and/or reclamation plans for the upcoming year.		
	Forest Service EA was completed late 2001 and approval of Alt. "B" is anticipated in Early 2002. Test pit work will commence on or about 7/02. Scope includes disturbance		
	and reclamation of an additional 1.55	acres, and reclamation of 0.18 acre of presently	
	disturbed area. 1.2 acres of access roa	d will remain for reclamation monitoring.	
NOTE:	Section III., "Additional Information	" applies only to large mining operations.	
II. <u>Additional</u>	Information - R647-4-121.2 and .3		
1.	The operator shall include an updated map depicting surface disturbance and reclamperformed during the year, prepared in accordance with Rule R647-4-105.		
2.	2. The operator shall keep and maintain timely records relating to his performand and shall make these records available to the Division upon request.		
V. Signature	e Requirement		
I her	eby certify that the foregoing is tru	ie and correct.	
	Name (Typed or Print):	Peter M. Kandaris	
	Title of Operator:	President	
	Title of Operator: Signature of Operator	President	
		President January 28, 2002	

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